

PRESS RELEASE

Congressman John Conyers, Jr.

**Fourteenth District, Michigan
Ranking Member, Committee on the Judiciary
Dean, Congressional Black Caucus**

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CONYERS JOINS OTHERS IN ANNOUNCING A DISCHARGE PETITION ON THE LAFALCE AND CONYERS CORPORATE FRAUD BILLS

Congressman John Conyers, Jr. (D-MI), Ranking Member of the House Judiciary Committee, issued the following statement at a press conference today announcing a discharge petition on the LaFalce and Conyers Corporate Fraud bills:

“The rash of corporate scandals have established beyond a shadow of a doubt that white collar fraud can be incredibly damaging, in many cases wiping away life savings and costing innocent Americans billions of dollars of their hard earned money.

Innocent consumers, investors and employees depend on their personal investments to help purchase a home, to finance their children’s education and to fund their retirement.

What’s needed most are laws that impose tough criminal and civil penalties on corporate wrongdoers. Not the sham reform proposal introduced yesterday by President Bush. His reform proposal will do nothing to really crack down on the recent incidents of corporate fraud and abuse. Simply stated, his proposal is “all bark and no bite”.

Likewise, we also need to make it abundantly clear that when our securities laws are broken, corporate wrongdoers will be caught and punished.

An example of a law that will accomplish both of these objectives is the “Corporate and Criminal Fraud Accountability Act of 2002”, a bill I introduced earlier this spring. Among other things:

- the bill creates a new 10-year felony for defrauding shareholders of publicly-traded companies;
- clarifies current criminal laws relating to the destruction or fabrication of evidence, including the shredding of financial and audit records;
- extends the statute of limitations governing securities fraud claims;
- limits the ability of corporate wrongdoers to discharge debts incurred in violation of securities fraud laws; and
- provides whistleblower protections to employees of publicly-traded companies, similar to those currently available to many government employees.

Enron’s collapse and the wave of recent accounting scandals have become a symbol of a corporate culture where greed has been inflated and accountability devalued. And even though we can not legislate against greed, we can prevent greed from succeeding.”

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